

Opening Statement

Statement of Congressman Michael N. Castle

*Full Committee Mark-up on
the "Presidential \$1 Coin Act of 2005"*

March 16, 2005

Thank you Mr. Chairman. I am pleased the House Financial Services Committee will consider today the "Presidential \$1 Coin Act of 2005," I authored with Mrs. Maloney. This legislation honors each U.S. President by placing them on the obverse side of the \$1 coin on a rotating basis. By doing so it aims to improve circulation of the one-dollar coin, which will lower costs to businesses and thus restrain price increases. I believe this program is a great opportunity for educating both children and adults about the history of our country. In addition, although it is not the goal of the program, these new coins will likely generate as much as five billion dollars for the government. Concurrently, with this program the current Sacagawea coin will also be minted. I am pleased that we were able to work with Congressman Earl Pomeroy to address his concerns and continue the Sacagawea program which will now hopefully be stronger than ever.

In many ways, this legislation is modeled after the successful "50-State Quarter Program." The 50 State Quarter Program, which I was also proud to have authored, issues five quarters a year bearing images connected with one of the states, so that over a decade, each state will have been honored. Before the state quarter program started, the U.S. Mint was making about 400 million quarters a year, but in the first year of the 50 State Quarter Program, it minted approximately 1.2 billion quarters. The Mint estimates that one person in each household is collecting the quarters, and they are collecting a full set, not just their own state. According to the most recent numbers from the Mint, nearly \$5 billion worth of savings have been created for the federal government.

The program before us today adopts the same model as the 50 State Quarter Program, but uses the one-dollar golden coin introduced in 2000. For a number of reasons, the dollar coin has yet to achieve its full potential of becoming a useful niche product for use in vending machines, transit systems, self-service car washes and low-dollar-value transactions. This legislation seeks to advance the one-dollar coin using an already successful concept and addressing the additional ills that befell the one-dollar coin.

It is important to note, this program is likely to be more accepted by the public than previous dollar coins. In a 2002 General Accounting Office Report to Congress, 25 percent of respondents stated that they would use the dollar coin more for purchases if there was a rotating design similar to the 50 State Quarter Program. Additionally, nearly 50 percent of respondents stated they would collect the new coin if it featured a changing design. And 69 percent of respondents favored U.S. Presidents as the choice for the new rotating design on the dollar coin.

Under the program, the images on the front and back of the coin temporarily would be

replaced beginning in 2007 with images of the United States presidents. Four presidents a year would be honored, in the order of their service, with a likeness of the President, his name and dates of service and a number signifying the order in which he served, on the front of the coin. The image on the reverse would be that of the Statue of Liberty, large enough to be dramatic but not so large as to create a so-called "two-headed" coin. The date, mint mark and other important mottoes on the coin would be on the edge of the coin, leaving room on the faces for more dramatic artwork. Working through concerns Representatives Kelly and Ney raised last year, there is language that was drafted in consultation with the National Federation of the Blind to ensure seeing impaired individuals would be able to distinguish the dollar coin from a quarter.

The educational aspects of this program are obvious. We all know George Washington was the first president, but how many can tell the exact dates of his service to the country? How about the dates of service of the famous Civil War general Ulysses S. Grant, who later became president? And how many in this chamber can name the only President who would end up with two coins in the series because he served twice, in terms separated by another president's term?

This legislation also seeks to honor the First Spouses by creating a nearly-pure gold investment-grade bullion coin, the same diameter as the dollar coin and half an ounce in weight, honoring the First Spouses, who have done so much for our country. The U.S. Mint will also be able to make bronze medal replicas of the First Spouse gold bullion coin. This will enable school children and ordinary citizens an affordable option for collecting the First Spouse series. These bronze medal replicas will cost just a few dollars.

For the First Spouse coin, the obverse, as with the Presidential coins, would be the likeness of the spouse, terms of service and the order in which they served. On the reverse would be images emblematic of the spouse's works. In the five instances to date in which Presidents had no spouses while in office -- there's the educational part again -- the bill calls for the image on the front of the coin to be that of an image of "Liberty" as used on a U.S. coin circulating during that President's term, and the reverse of the coin to carry images related to the President's term. During President Chester Arthur's term, the image of "Liberty" would be represented by Alice Paul, a leading figure in the women's suffrage movement, who was born during Arthur's term. Other Presidents, such as President Wilson, have had more than one spouse while in office due to the death of a spouse and subsequent remarriage while still in office.

So that the new \$1 coin may be introduced into circulation in 2007 and to ensure that the Mint will have adequate time to plan this program's logistic and artistic success, I am pleased we are moving this legislation quickly and hope that we can take a vote in the full House, appropriately, before the Fourth of July.